(2) BELLSOUTH

BellSouth Telecommunications, Inc.

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July 50, 2001

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Henry Walker, Esquire Boult, Cummings, Conners & Berry Post Office Box 198062 Nashville, Tennessee 37219-8062

Re:

Second Complaint of Discount Communications, Inc. Against

BellSouth Telecommunications, Inc.

Docket No. 00-01151

Dear Henry:

As we discussed earlier today, enclosed please find a proposed Emergency Joint Motion for Limited Relief from the Automatic Stay to Permit Scheduled Hearing in the Tennessee Regulatory Authority for filing in the United States Bankruptcy Court, Western District of Tennessee. I would appreciate your reviewing this document, and letting me know whether your client is agreeable to this joint filing.

cordially,

Joelle Phillips

JJP/jej

cc:

Richard Collier, Esquire Guy Hicks, Esquire

IN THE UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF TENNESSEE AT MEMPHIS

IN RE: DISCOUNT COMMUNICATIONS, INC.	,))	NO.
)	
Debtor.)	

EMERGENCY JOINT MOTION FOR LIMITED RELIEF FROM THE AUTOMATIC STAY TO PERMIT SCHEDULED HEARING IN THE TENNESSEE REGULATORY AUTHORITY

Creditor and Party-in-Interest, BellSouth Telecommunications, Inc. ("BellSouth") and Debtor, Discount Communications, Inc. ("Discount"), file this Emergency Joint Motion seeking relief from the automatic stay to the extent necessary to permit the parties to proceed with the scheduled hearing on July 31, 2001, before the Hearing Officer for the Tennessee Regulatory Authority. The Joint Movants respectfully show the Bankruptcy Court as follows:

- 1. On ______, Discount sought protection under the Bankruptcy Code by filing its Petition initiating the above-styled case.
- 2. Prior to filing, on Friday, July 27, 2001, Movants participated in an informal hearing with respect to the alleged breach of an escrow arrangement previuosly ordered by the Hearing Officer for the Tennessee Regulatory Authority. During that informal hearing, the parties agreed that an evidentiary hearing would be held on Tuesday, July 31, 2001 at 1:00 p.m. before the Hearing Officer to determine whether Discount had complied with the Hearing Officer's Order requiring it to make certain payments into escrow for the protection of BellSouth.

- 3. Movants seek relief from the automatic stay solely to permit the parties to proceed with this hearing. The parties agree that telecommunications service will not be terminated on the basis of that hearing absent further relief from this Court.
- 4. Movants agree that proceeding with the hearing as scheduled will assist the Bankruptcy Court in the orderly administration of the bankruptcy case by addressing those issues, which have already been submitted to the Tennessee Regulatory Authority's jurisdiction. The parties further agree that no action will be taken as a result of the hearing before the Hearing Officer at the Tennessee Regulatory Authority without first seeking further relief from the Bankruptcy Court.

Respectfully,

Joelle Phillips
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